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OFFICE OF THE EXECUTIVE SECRETARY

April 20, 1999

Mr. David Waddell, Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tn 37238

99-00271

RE: IntraLata Dialing Parity

Dear Mr. Waddell:

Enclosed you will find a copy of the *IntraLATA Toll Dialing Parity Plan* for DeKalb Telephone Cooperative. Also, the required twenty five dollar filing fee has been included.

If you have any questions please feel free to give me a call at 615-464-2212.

Respectfully,

Ricky L. Gibbs Settlements Analyst

Enclosures

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RECEIVED ADMINISTRATIVE

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TN REGULATORY AUTHORITY

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DEKALB TELEPHONE COOPERATIVE, INC. d/b/a DTC Communications

IntraLATA Toll Dialing Parity Implementation Plan

June 1, 1999

Implementation Date

DeKalb Telephone Cooperative, Inc.

Alexandria, Tennessee

99-00271

April 19, 1999

Exhibit 1 to the Petition of DeKalb Telephone Cooperative, Inc. to the Tennessee Regulatory Authority for Approval of the subject plan.

I. Purpose

DeKalb Telephone Cooperative, Inc (DTC) has described herein the process for implementing intraLATA toll dialing parity in the DTC exchanges located in the state of Tennessee. The intent of the Plan is to provide a proposal that, upon implementation, would provide customers the ability to select the participating telecommunications carrier of their choice for routing their intraLATA toll calls.

II. IntraLATA Environment

DTC customers in Tennessee can currently dial an access code to complete intraLATA toll calls to another carrier. After implementation of the intraLATA toll dialing plan, customers will be able to subscribe to the carrier of their choice for intraLATA as well as interlata service (two-PIC subscription capability). Customers will dial 1+ the area code and number to complete calls using their subscribed carrier. If customers wish to complete a call using a carrier other than their subscribed carrier, they will need to dial the carrier's access code.

Each end office switch will be equipped with the capability of allowing each end user subscriber to select "no-PIC" as a valid intraLATA subscription selection. Customers selecting "no-PIC" as their subscribed carrier will not be able to make intraLATA toll calls on a 1+ or 0+ dialed basis. Such customer will need to dial an access code each time he or she makes an intraLATA call.

In 1991, DTC implemented toll-free county wide calling for its entire service area. BellSouth currently maintains tax-code billing tables to identify "free-county-wide" intraLATA toll calls originated by DTC intraLATA toll customers and to ensure that billing does not occur on these calls. DTC will continue to process toll-free intraLATA county-wide calls in this manner for toll customers after implementation of intraLATA toll dialing as long as technically feasible.

In 1994, DTC also implemented toll-free Metro Area Calling for qualifying DTC exchanges. DTC will also continue to provide this service in the qualifying exchanges as long as technically feasible.

III. Implementation Schedule

DTC will provide intraLATA toll dialing parity in Tennessee on June 1, 1999.

IV. Carrier Selection Procedures

DTC will implement the full Two-PIC (Primary Interexchange Carrier) carrier selection methodology. With the full two-PIC methodology, customers will be able to subscribe to one telecommunications carrier for interLATA toll calls and subscribe to the same or a different participating telecommunications carrier, for all intraLATA toll calls. Orders for changes will be accepted and processed beginning on the implementation date.

DTC customer service representatives will be trained to explain to customers the process for making PIC changes for intraLATA toll calls. Business Office personnel will make changes in customer records based upon requests from customers or carriers and direct customers to their chosen intraLATA carriers. Processes will be in place to provide new customers with an opportunity to chose their intraLATA toll carrier from a list of available carriers.

Existing Customers

Currently, intraLATA toll is provided by all local telephone companies through a pooling arrangement with BellSouth as the primary carrier. On June 1, 1999, customers may subscribe to any telecommunications carrier offering intraLATA toll service in their exchange. Customers will remain with the local toll provider until they affirmatively choose an intraLATA toll carrier. Customers may make this selection through their own initiative or as a result of the promotional marketing activities of participating intraLATA toll telecommunications carriers. Customers may communicate their choice of carriers to DTC directly or through their selected carriers.

Customers will be allowed one PIC change at no charge during the first 90 days after Dialing Parity is implemented effective August 1, 1999. Customers will be assessed a PIC change charge for changing their intraLATA carrier at a rate of \$5.00. When customers request a simultaneous change to the same carrier for their interstate and intrastate service, DTC will assess two PIC charges, one from the interstate tariff and one from the intrastate tariff.

A charge will be established for unauthorized PIC changes submitted by carriers to DTC for end-user customers (slamming).

New Installation Customers

DTC customer service representatives will be provided discussion guidelines that will provide a new customer with the following information:

- 1. Inform the customer that a choice of intraLATA toll providers is now available.
- 2. Provide a list of available carriers in randomly generated order if requested.
- 3. Advise the customer that various carriers provide intraLATA toll service.

Customers who do not make a positive choice for an intraLATA toll carrier will be notified that they will not be automatically defaulted to a carrier and will be required to dial an access code to place intraLATA toll calls until they make an affirmative choice for intraLATA toll carrier.

PIC Charge Waiver Period

Customers will be given a period of ninety (90) days within which to make one change of their preferred carrier at no cost to the customer. This waiver period will begin on June 1, 1999. The costs associated with this waiver will be recovered through the general cost recovery mechanism.

V. Customer Education/Notification

At the time of implementation, June 1, 1999, the TRA will issue a press release announcing the availability of intraLATA 1+subscription. This press release will announce the opportunity to choose a primary intraLATA carrier and explain the 90 day waiver period from June 1, 1999 through August 31, 1999.

DTC will notify all existing end users via bill insert and a notice in the subscriber newsletter, which is mailed directly to subscriber, regarding intraLATA subscription implementation and explain their opportunity to select an intraLATA carrier. The wording of the customer notification includes an explanation of the PIC change charge waiver period and is shown as Exhibit A. Customer telephone directories will be updated as new editions are published to reflect the opportunity for customers to choose an intraLATA toll carrier. After implementation, all new customers will be advised of intraLATA availability and requested to make an intraLATA carrier selection.

VI. Carrier Notification

Current interexchange carriers will be notified of DTC intraLATA toll dialing parity implementation via Certified U.S. Mail at implementation. Carriers that currently participate in interlata toll will be assumed to be participants in the intraLATA toll market. Certified carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying DTC.

VII. Operator Services and Directory Assistance

Access to Operator Services and Directory Assistance will continue to be available through the customer's local exchange carrier or interLATA carrier. No industry standard exists for access to Operator Services and Directory Assistance unique to intraLATA services. For Operator Services, customers dial "0" to reach their local exchange operator and "00" to reach their interLATA operator. For Directory Assistance, customers dial "1-411" or 1-615-555-1212 for accessing the local exchange Directory Assistance and dial "1-NPA-555-1212" for accessing their interLATA carrier's Directory Assistance.

VIII. Cost Recovery

In accordance with 51.215 of FCC Order 96-333, CC Docket No. 96-98, cost recovery for the incremental cost of dialing parity may be recovered. However, DTC Communications has chosen not to pass this cost along to customers and will implement dialing parity at no cost increase. Attached, as Exhibit B, is a detailed explanation of the cost associated with implementation for review purposes only.

IX. Statement of Compliance

DTC will comply with all rules of the FCC and the TRA.

Executed as of the 19th Day of April, 1999

Wayne Gassaway

General Manager of DeKalb Telephone Cooperative, Inc.

111 High Street

P.O. Box 247

Alexandria, TN 37012 Phone: 615-529-2151

BILL MESSAGE

TC Communications will implement local toll 1+ subscription service on June 1, 1999. You will be able to choose a local toll provider. Your current carrier will continue to provide this service for you or you may select another carrier. You may select the same provider as your interstate long distance service provider or you may select a different provider for each service. Your first selection prior to August 31, 1999 will be free.

SUBSCRIBER NEWSLETTER ARTICLE (Direct Mail)

IMPORTANT NOTICE ABOUT LOCAL TOLL SERVICE

"As of June 1, 1999, you are able to choose your provider of "1+" local toll service. This change allows you to remain with your current carrier or select a different long distance carrier for local toll calls. Please refer to the information pages in the front of your Ben Lomand telephone directory under "Long Distance Calling" for a description of your local toll calling area.

If you would like to select a different carrier for your "1+" local toll service, you should contact that company. No action is necessary to keep your current provider for these local toll calls.

From June 1, 1999 until August 31, 1999 you will be able to change your local toll carrier one time without charge. There may be a charge for each subsequent change you make in local toll companies."

TENNESSEE METHODOLOGY FOR RECOVERY OF COSTS ASSOCIATED WITH IMPLEMENTATION OF INTRALATA SUBSCRIPTION

CALCULATION OF INITIAL EQUAL ACCESS RATE ELEMENT (FOR REVIEW PURPOSES ONLY)

Step 1: Identify the estimated total incremental costs directly attributable to the provisioning of IntraLata Subscription.

\$20,000

Step 2: Identify the estimated total Intrastate/IntraLATA minutes of use for the 4 year recover period.

122,600,536

Step 3: Calculate a cost recovery rate by dividing amount in Step 1 by the Minutes of Use in Step 2.

*.00016

* NOTE: Because equipment was already in place, recovery of costs is not necessary. Present access charges will remain in effect.